

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 232 – HB 893

February 11, 2013

SUMMARY OF ORIGINAL BILL: Deletes the current Tennessee State Guard (TSG) license plate from the emergency category of license plates and re-establishes the plate under its own category listing. Authorizes enlisted TSG members to obtain their first TSG plate for free.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenues - \$2,700/Highway Fund
\$100/General Fund

Decrease Local Revenues – Not Significant

SUMMARY OF AMENDMENT (002833):

Deletes and rewrites the original bill such that the only substantive change from the original bill is the removal of two sub-classes of TSG members – honorably discharged and retirees. The original bill contained four sub-classes of TSG members - enlisted, honorably discharged, officers, and retirees.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Unchanged from the original fiscal note


Assumptions for the bill as amended:

- Based upon sales from prior years, the Department of Revenue estimates 127 plates will be issued free each year.
- All such plates are for separate registrants.
- The annual state fee for the plates is \$21.50.
- Pursuant to T.C.A. § 55-6-107(a)(1), state fees for these plates are apportioned 98 percent to the Highway Fund and two percent to the General Fund.
- The recurring decrease in state revenue to the Highway Fund is estimated to be \$2,675 (127 x \$21.50 x 98.0%). The recurring decrease in state revenue to the General Fund is estimated to be \$55 (127 x \$21.50 x 2%).

- The average annual county fee is \$27.50.
- The recurring decrease in local government revenue is estimated to be \$3,493 (127 x \$27.50).
- Under the original bill, as well as the bill as amended, the only plates assumed to be issued for free are for enlisted TSG members. The total number of free plates issued will not change as a result of the bill as amended.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "Lucian D. Geise". The signature is fluid and cursive, with the first name "Lucian" written in a larger, more prominent script than the last name "Geise".

Lucian D. Geise, Executive Director

/cce